



U.S. Department of Justice

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July 27, 2009 Update Golden Panda Ad Builder

In two related civil forfeiture cases now pending in the United States District Court for the District of Columbia, the Department of Justice (though the United States Attorney's Office) has alleged that funds and assets either seized from several Internet-based businesses ("Ad Surf Daily," "La Fuente Dinero" and "Golden Panda Ad Builder") or traceable to those operations, constituted proceeds of one or more federal criminal offenses. Specifically, the government alleged that each of these three so-called auto-surf businesses, which had promised income opportunities to their paying members, were actually "Ponzi" schemes that used new members' money to pay income to earlier members in violation of the federal wire fraud and securities fraud statutes. Under federal law, proceeds of wire and securities fraud offenses are forfeitable to the United States.

On July 24, 2009, the United States District Court issued an order forfeiting \$14,048,598.07 to the government. This amounted to most of the funds that the government seized from bank accounts maintained by operators of the Golden Panda Ad Builder operation. Thus, the government now has perfected its title to these former Golden Panda funds, and it is now able to begin the process of remitting forfeited property to victims of the Golden Panda fraud scheme.

Individuals who sent money to Golden Panda Ad Builder, and who suffered a pecuniary loss, will need to file petitions for remission or mitigation of the forfeiture with the Department of Justice. Under Section 9.8(a)(1) and (2) of Title 28 of the Code of Federal Regulations, in a petition for remission or mitigation of forfeiture a non-owner victim must demonstrate that it suffered a pecuniary loss of a specific amount directly caused by the criminal offense(s) underlying the forfeiture, or a related offense, and that the loss is the direct result of the criminal acts. In the near future, the Department of Justice will endeavor to contact former Golden Panda members with information about how they may properly file petitions for remission or mitigation with the Department (in writing and under oath). The Department will publish information on this website and also will provide information by email to potential petitioners identified to it.

At this time, the United States does not have access to funds or property seized from or related to the Ad Surf Daily and La Fuente Dinero operations. The government's effort to perfect those forfeitures remains under challenge.